ABSTRACT

This research aimed to examine empirical evidence about the effect of corporate reputation towards firm’s financial performance in Indonesia. Researcher expect that higher corporate reputation generates higher financial performance. This study uses quantitative approach through secondary data taken from audited financial report at IDX and ICMD. Using 930 firm year observations from listed firms in Indonesia Stock Exchange from 2013 to 2016, researcher perform a regression analysis through STATA 14 program as a tool to process the data. Researcher found that financial performance increases as company’s reputation increases. Surprisingly, the small firms has higher effect of corporate reputation on financial performance than the larger one.

Keywords: Corporate reputation, Financial performance